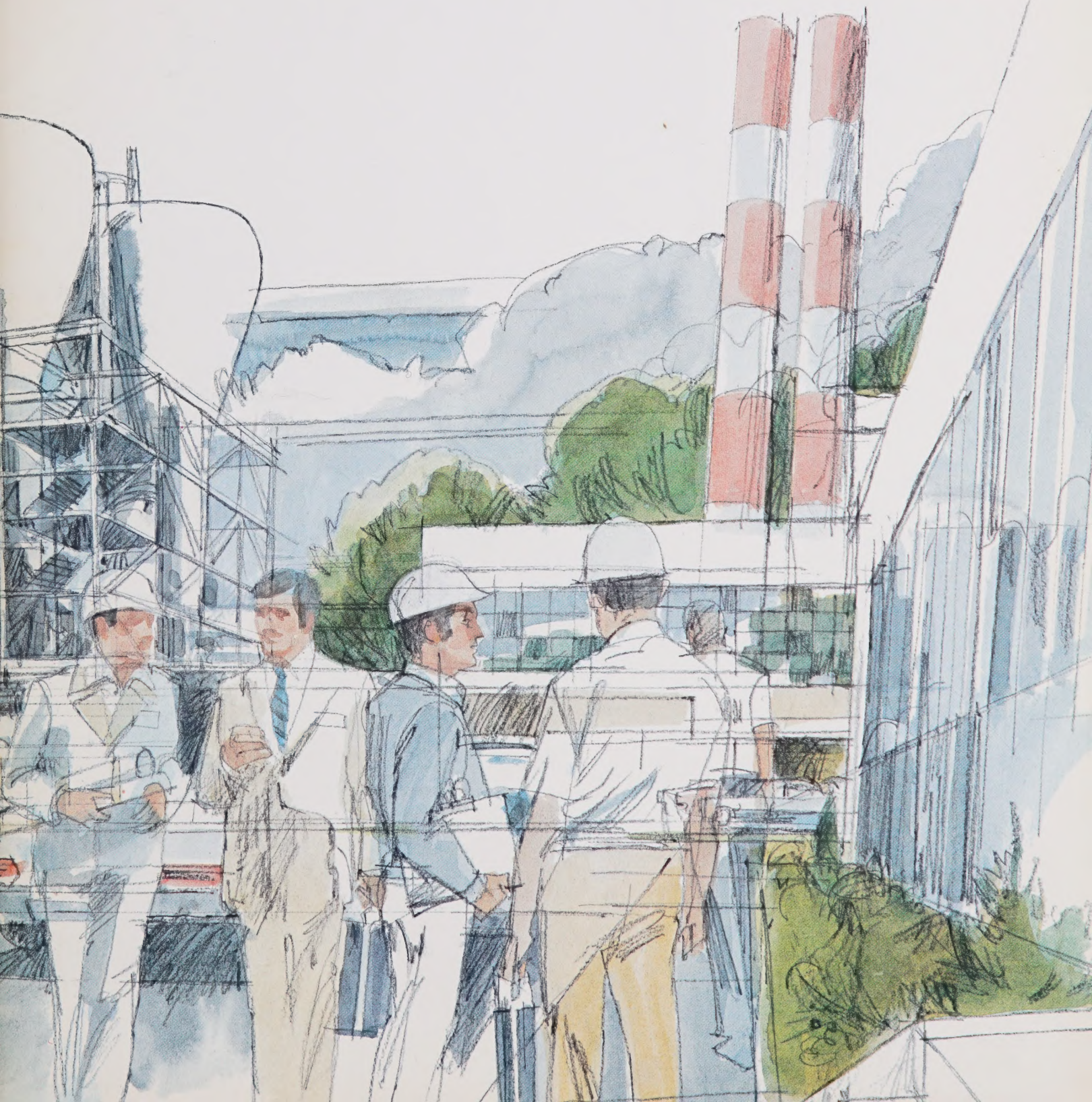


AR02



The Cover: Sketch depicts Union Carbide's Moore Township polyethylene plant near Sarnia, Ontario, which is scheduled for completion in 1977. With a yearly production capability of 350 million pounds, this world-scale plant will more than double the Company's polyethylene output.

Sur demande, il nous fera plaisir de vous envoyer l'édition française de ce rapport.

The Annual Meeting of Shareholders will be held at 11:00 a.m. on Tuesday, April 29, 1975, at the Royal York Hotel, Toronto.

A recently-completed major addition to the Company's Montreal East petrochemical plant increased polyethylene production by a third to

300 million pounds annually. Facilities producing ethylene oxide and ethylene glycol also are being expanded.



To our shareholders

The year 1974 was one of unprecedented growth for Union Carbide Canada Limited as new levels of performance were achieved in both sales and net income. Sales at \$341.4 million increased 39 per cent over 1973. Net income at \$4.51 per share gained 167 per cent and represented 13 per cent of sales.

The year's exceptional performance was primarily the result of a strong demand for our products and higher selling prices. More effective management of our businesses and better planning also were important contributing factors. After six years of relative stability preceded by eight years of steady decline, our price index registered its first significant upward movement in 1974, bringing prices to a level that will warrant the massive investments required to establish much-needed new capacity. The Federal Government's November Budget represented a positive response to the needs of the economy for this new capacity, and was a source of encouragement to companies such as Union Carbide that are already engaged in major expansion programs.

Construction expenditures in 1974 were \$46.8 million, an increase of 122 per cent over the \$21.1 million spent in 1973. In 1975, construction expenditures will approach \$90 million, an ambitious program but one well within our financial capabilities since we expect to achieve a creditable performance.

During the year, two increases in the dividend were approved by the Board of Directors. In April, the dividend was increased from an annual rate of 65 cents a share to 70 cents and, in October, it was further increased to 85 cents. Dividends accounted for 16 per cent of net income with the remainder being retained for reinvestment.

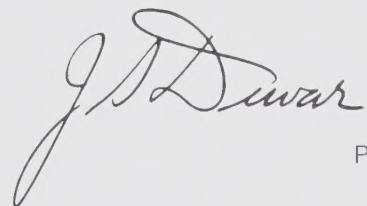
Besides being a good year from an earnings standpoint, 1974 was also a year of progress in other areas of performance that are expected from responsible enterprise today. Our safety experience, for example, set a new record for the third

successive year. We completed much of our pollution abatement program, and we adopted an environmental impact analysis system for accurately and concisely determining any effect on the environment that might be inherent in Union Carbide's products and processes as well as its facilities. This system identifies potential areas of concern and provides a priority rating for effectively dealing with environmental problems.

In September, Allen T. Lambert, Chairman of The Toronto-Dominion Bank, retired as a Director of Union Carbide Canada Limited. Mr. Lambert, who made a significant and lasting contribution to the Company during his term of almost 14 years on our Board, was succeeded by the President of the Bank, Richard M. Thomson. Douglas F. S. Coate became Treasurer of the Company in addition to his responsibilities as Secretary and General Counsel, and Vernon V. Garlick was appointed Controller.

A milestone year for Union Carbide in many respects, 1974 also marked our tenth anniversary as a public company. In the period since 1964, our sales have increased almost three-fold, net income has tripled and our total assets have more than doubled.

Growth of this magnitude would not be possible without dedicated and competent employees. On behalf of your management, I wish to acknowledge with sincere appreciation their able and enthusiastic efforts during a decade of progress and achievement.



President

1974 in review

Sales in 1974 reached an all-time high of \$341,357,000, increasing 39 per cent over 1973's sales of \$245,688,000.

The record was achieved in the face of a number of factors that adversely affected business operations during the year. These included the challenge of obtaining raw materials during a period of industry-wide shortages, and several work stoppages that occurred at Company plants as well as in the construction industry in Quebec. Because of these factors, Union Carbide was unable to fully utilize its production capacity, start-up of new facilities was delayed and customer demands were not fully satisfied. For the first time in 14 years, the average price of Company products increased markedly, rising 43 per cent over the 12-month period. This increase was necessary not only to absorb significantly higher costs but also to support the construction of urgently-required new capacity in a period of rising inflation. Union Carbide's price index has increased only 24 per cent since the base year 1961 while, in the same period, the Wholesale Price Index has risen 98 per cent. Net income reached a new high of \$45,085,000, or \$4.51 per share. While representing an increase of 167 per cent over the \$16,907,000, or \$1.69 per share, earned in 1973, it included gain of approximately 18 per cent from inflated inventory values.

The Company's nylon business, including a plant at Arnprior, Ontario, was sold during the year. A flexible packaging facility at Amherst, Nova Scotia, was also sold as Union Carbide continued to concentrate its resources in the business areas felt best suited to its management and technological skills. These divestments resulted in a minor gain, but had no material effect on net income.

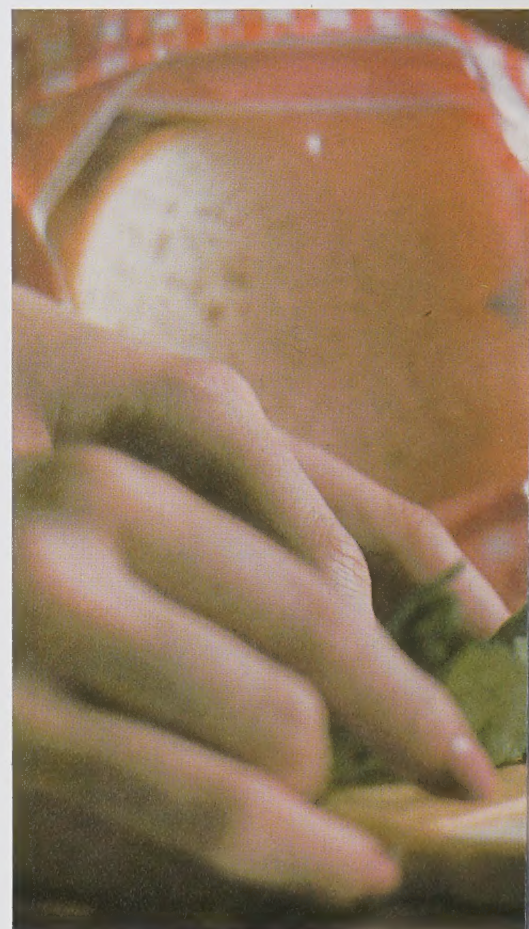
Chemicals

Union Carbide manufactures and markets more than 300 different organic chemicals which are used in a broad range of industrial applications.

The world-wide shortage of chemicals continued throughout much of 1974 and, while demand showed some easing towards the year-end, sales of many products had to be allocated. As a result, volume showed little change from 1973. Improved pricing advanced dollar sales to their highest-ever level.

A large-scale expansion program at the Montreal East plant, Canada's largest integrated petrochemical facility, was undertaken to increase ethylene oxide capacity by 50 per cent to 150 million pounds annually and double ethylene glycol capacity to 180 million pounds. Ethylene oxide is a major petrochemical building block. Ethylene glycol, the largest volume ethylene oxide derivative, is used primarily in the production of automotive anti-freeze and polyester fibre. Construction activities were delayed approximately four months by a Quebec construction labour dispute, and the new capacity now is scheduled for completion in the second quarter of 1975.

Dollar sales of anti-freeze recorded significant growth despite a tight supply situation. Increased pricing reflected sharply higher costs. The additional Montreal East ethylene glycol capacity is expected to improve Union Carbide's supply position in the anti-freeze market.



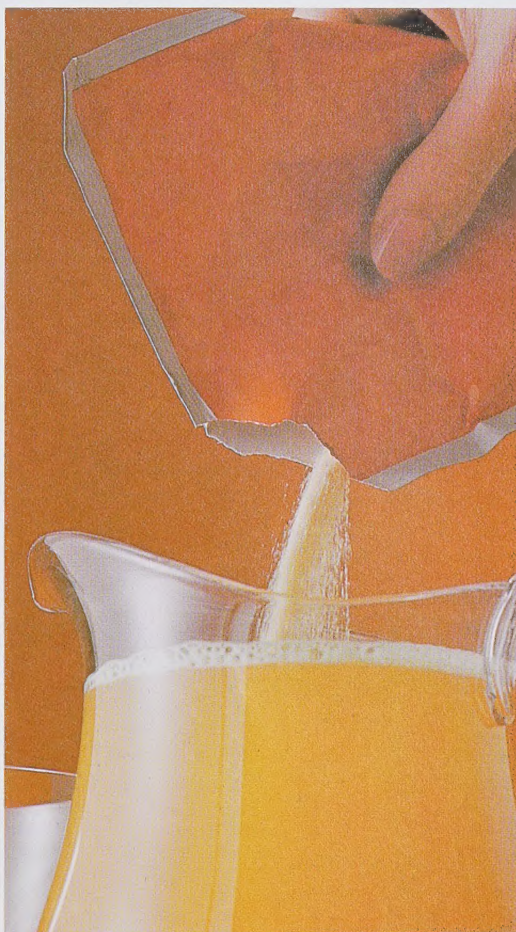
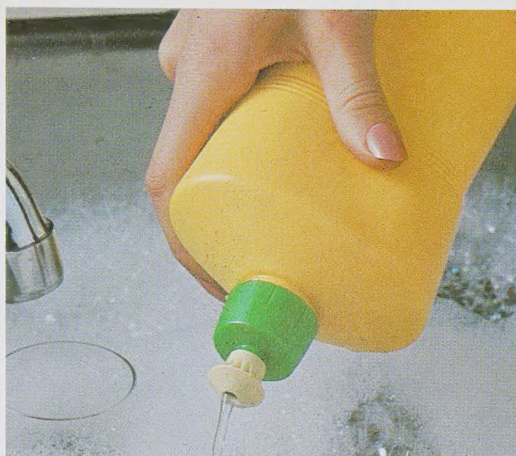
The year at a glance

	1974	Per Share	1973	Per Share
Sales	\$341,357		\$245,688	
Net Income	45,085	\$ 4.51	16,907	\$ 1.69
% of Sales	13.2%		6.9%	
% of Invested Capital*	27.2%		10.9%	
% of Shareholders' Equity*	32.6%		13.2%	
Dividends	7,250	0.73	6,125	0.61
% of Net Income	16.0%		36.2%	
Net Income Reinvested	37,835	3.78	10,782	1.08
Total Assets	316,528		229,665	
Construction Expenditures	46,767		21,084	
Depreciation and Amortization	13,950		13,691	
Shareholders' Equity (Book Value)	175,962	17.60	138,127	13.81
Number of Shareholders	6,400		7,000	
Market Price Range: High		20.25		19.00
Low		13.75		15.00

(dollars in thousands — except share figures)

*Based on beginning-of-the-year figures. Invested capital includes short-term debt, long-term debt and Shareholders' Equity.

Polyethylene is the material for countless household products in which good looks and light weight are combined with toughness and durability. Supermarket shopping bags, kitchen utensils, detergent bottles, toys, soft drink



Plastics

Gains in dollar sales were recorded in all areas of the plastics business although raw material shortages and capacity limitations restrained volumes to an extent that necessitated the introduction of customer allocations.

Restraints on supply are expected to be eased in 1975 with the additional reaction capacity for low density polyethylene which went into operation early in the year at the Montreal East plant. This expansion, which was also delayed by Quebec construction labour problems, increased the plant's low density polyethylene output by a third to 300 million pounds annually.

A major thrust of the polyethylene business was the planning of a new plant in Moore Township, Ontario, which will produce 350 million pounds annually of both low and high density resins. Estimated to cost approximately \$150 million, the plant is scheduled to become operational in early 1977, and will reinforce the Company's position as Canada's major producer of the most widely used of all plastics. Its feedstock will be ethylene from the nearby world-scale primary petrochemical facility of Petrosar Limited, in which Union Carbide has a 20 per cent interest.

In addition to manufacturing the basic resin, the Company also extrudes polyethylene into film for industrial and agricultural applications, and converts it into the well-known GLAD line of home products.

The film business retained its strong market position during 1974 in spite of resin shortages. Production expansions included the installation at the Cowansville, Quebec, plant of a new extrusion line to produce fertilizer bag film and a new embossing line to manufacture soft-textured film for the fast-expanding disposable diaper market.

Dollar sales of GLAD products achieved record levels, although resin shortages restricted volume growth. An enlargement of manufacturing and packaging facilities at the Orangeville, Ontario, home products plant was completed early in the year.

Significant gains also were experienced in sales of thermosetting plastics which are used as bonding agents in fabricating such products as laminates, waferboard and brake linings. A 25 per cent expansion of phenolic resin producing facilities was undertaken at the Belleville, Ontario, facility. Sales of food casings for wiener and processed meat production were affected by a nine-week strike at the Lindsay, Ontario, plant and increased only marginally over the previous year.

pouch liners and bread bags are some examples. Other major uses are in such industrial applications as wire and cable coating and construction and agricultural film.

Gases



Gases sales increased markedly as a result of a generally higher level of activity in the industries utilizing this group's industrial gases, cutting and welding apparatus and fabricated metal products. Major orders were received during the year for distillation trays and related equipment for a series of expansions to Ontario Hydro's Bruce heavy water plant. The orders involve a total of 3,480 massive stainless steel trays. Delivery will be completed in late 1977.

Construction activities focussed on a new air separation plant at Montreal East which is scheduled for completion in the second quarter of 1975. Union Carbide's 13th such facility in Canada, the new plant will supply atmospheric gases to the Company's nearby petrochemical complex and to other industrial customers in the area. It will also produce liquid oxygen, nitrogen and argon for distribution throughout Quebec and the Atlantic Provinces. Development activities continued to concentrate on the design of hot cutting equipment for steel mills and the investigation of new metallurgical applications for oxygen.

Huge stainless steel distillation trays, manufactured at the Company's Mississauga, Ontario, apparatus and metal fabricating factory, are an integral part of heavy water plants serving Canada's CANDU nuclear energy program.



These 300-foot-high towers at Ontario Hydro's Bruce heavy water plant each contain 130 Union Carbide distillation trays stacked one above the other.

Metals and Carbon

Sales of Metals and Carbon recorded the greatest percentage growth over 1973 of any Company product line, reflecting the increased pace of activity in the steel, aluminium and foundry industries.

Expanded demand for ferroalloys combined with a tight international supply situation enabled Union Carbide to capitalize on the first full year's production from its new Beauharnois, Quebec, ferro-manganese furnace, the largest and most efficient unit of its kind in the Western world.

Ferroalloy operations at the Welland, Ontario, plant were terminated when four furnaces were phased out of operation, their age and small size making it impractical to equip them with the necessary emission abatement controls. Metals production now is consolidated at Beauharnois and in Chicoutimi, Quebec, while the Welland facility continues as Canada's leading carbon and graphite producer.

Carbon sales showed impressive gains, primarily as a result of intensified activity in electric steelmaking. Union Carbide is Canada's principal supplier of graphite electrodes which are used to carry heavy electrical currents into steel furnaces. Other carbon products include graphite anodes which are supplied to chlorate and chlorine producers, and carbon cathode blocks which form the lining of aluminum smelting pots.

The growing consumer popularity of such products as electronic calculators and battery-operated watches expanded the Canadian battery market, strengthening sales of Union Carbide's EVEREADY line. A major expansion of alkaline battery production facilities at the Walkerton, Ontario, plant was commenced and will enable the Company to increase its participation in the fastest-growing segment of the battery business. New battery packaging was developed to include more product information for consumers.



An operator at a central console at Union Carbide's Welland, Ontario, carbon products plant controls the production of graphite electrodes which are supplied to the electric steelmaking industry.

The "Heavy Duty" battery is the newest addition to the EVEREADY line of more than 300 battery types and sizes. It is ideally suited for use in electronic calculators, one of today's most popular battery-powered products, as

well as toys, flashlights and transistorized equipment.



At year-end, approximately 250 employees had participated in seminars and workshops held as part of the Union Carbide Management System, which is designed to assist employees in becoming better professional managers.

Employees at Union Carbide's Cowansville, Quebec, plastics products plant display one of the awards they have received for operating nearly seven years without a disabling injury.

Employees

An efficient and enthusiastic work force is the fundamental strength of a company, and continuing efforts were made in 1974 to enhance the talents and abilities of employees through effective training and development programs.

A further 75 managers completed training under the Union Carbide Management System which has the objective of developing professionalism in the management function. The system was also extended during the year to include all levels of supervisory staff.

Safety performance was the best yet, with the frequency rate for disabling injuries declining by more than 40 per cent from 1973's level. More extensive employee training and guidance and increased managerial involvement contributed to the improvement. An extensive safety audit was carried out at a number of plant locations to evaluate current safety practices and develop recommendations for further improvement.

Ten new collective bargaining agreements were negotiated. Strikes interrupted production for periods ranging from four to nine weeks at the Belleville, Chicoutimi and Lindsay plants.

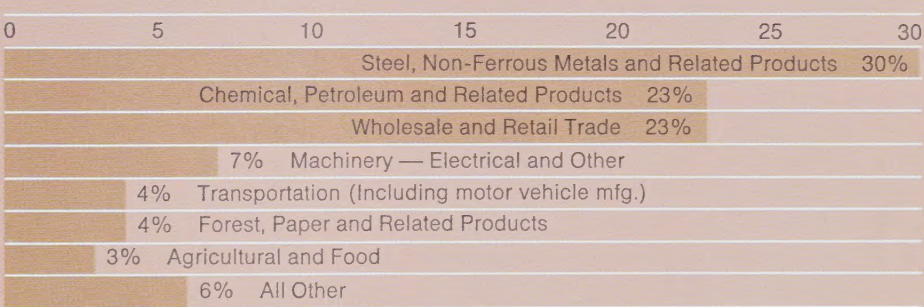
Following extensive benefit plan improvements in 1973, additional improvements were introduced during the year to the Company's Extended Health Program and Vacation Plan.

In view of the critical need for additional skilled manpower resources, recruiting efforts were intensified with particular emphasis on the university campus program.

Selling prices (1961 index = 100)



Sales by markets (per cent of sales)



Construction expenditures by group

	1974		1973	
	Amount (in thousands)	Per Cent of Total	Amount (in thousands)	Per Cent of Total
Chemicals and Plastics	\$29,707	63	\$ 7,014	33
Gases	13,396	29	2,303	11
Metals and Carbon	3,664	8	11,767	56
	\$46,767	100	\$21,084	100

Directors

Executive officers

†* Jacques de Billy

Senior Partner, Messrs. Gagnon, de Billy,
Cantin, Dionne, Martin, Beaudoin & Lesage
Quebec City

Douglas F. S. Coate

Secretary, Treasurer and General Counsel,
Union Carbide Canada Limited
Toronto

* John S. Dewar

President, Union Carbide Canada Limited
Toronto

John H. Field

Vice-President,
Union Carbide Canada Limited
Toronto

Alexander I. Hainey

Vice-President,
Union Carbide Canada Limited
Toronto

†Fred B. O'Mara

Executive Vice-President,
Union Carbide Corporation
New York

Gordon W. Patterson

Vice-President,
Union Carbide Canada Limited
Toronto

†* John F. Shanklin

Vice-President and Secretary,
Union Carbide Corporation
New York

†* Ian D. Sinclair

Chairman of the Board,
Canadian Pacific Limited
Montreal

†* James C. Thackray

Executive Vice-President, Bell Canada
Montreal

†* Richard M. Thomson

President, The Toronto-Dominion Bank
Toronto

John S. Dewar

President

John H. Field

Vice-President

Alexander I. Hainey

Vice-President

Richard S. Hughes

Vice-President

Gordon W. Patterson

Vice-President

Douglas F. S. Coate

Secretary, Treasurer and General Counsel

Vernon V. Garlick

Controller

*Audit Committee

†Compensation Committee

Fred B. O'Mara John S. Dewar Ian D. Sinclair Gordon W. Patterson James C. Thackray John F. Shanklin



Alexander I. Hainey John H. Field Jacques de Billy Richard M. Thomson Douglas F. S. Coate

Consolidated statement of income and retained earnings

	(thousands of dollars)	
	Year Ended December 31, 1974	Year Ended December 31, 1973
Sales	\$341,357	\$245,688
Cost of Goods Sold	\$228,650	185,785
Selling, General and Administrative Expenses	22,080	18,459
Depreciation and Amortization	13,950	13,691
Interest on Long-Term Debt	2,256	2,262
	266,936	220,197
	74,421	25,491
Investment Income	1,933	1,112
Gain on Disposal of Capital Assets	713	305
	2,646	1,417
	77,067	26,908
Income Taxes		
Current	25,072	6,697
Deferred	7,848	5,192
	32,920	11,889
	44,147	15,019
Share of Income of Companies carried at Equity	938	688
Income before Extraordinary Items	45,085	15,707
<i>Per Share</i>	\$4.51	\$1.57
Extraordinary Items (Note 3)		1,200
Net Income	45,085	16,907
<i>Net Income per Share</i>	\$4.51	\$1.69
Retained Earnings at January 1	78,527	67,745
	123,612	84,652
Dividends Paid	7,250	6,125
Retained Earnings at December 31	\$116,362	\$ 78,527

Consolidated statement of changes in financial position

	(thousands of dollars)	
	Year Ended December 31, 1974	Year Ended December 31, 1973
Source of Funds		
Operations		
Income before Extraordinary Items	\$45,085	\$15,707
Add Non-Fund Items		
Depreciation and Amortization	13,950	13,691
Transfer to Deferred Income Taxes	7,848	5,192
Share of Unremitted Earnings of Companies carried at Equity	(305)	(334)
Working Capital Provided from Operations	66,578	34,256
Extraordinary Items (Note 3)	—	2,328
Disposal of Fixed Assets (1974 proceeds \$4,553)	4,200	1,513
Other — Net	150	(400)
	70,928	37,697
Application of Funds		
Acquisition of Fixed Assets	46,767	21,084
Dividends Paid	7,250	6,125
Increase in Investments	2,352	97
Acquisition of Goodwill	373	—
Long-Term Debt Reduction	69	205
	56,811	27,511
Increase in Working Capital	14,117	10,186
Working Capital at beginning of year	62,610	52,424
Working Capital at end of year	\$76,727	\$62,610
Changes in Components of Working Capital		
Cash and Marketable Securities	\$ 9,913	\$ 6,252
Receivables	19,533	8,244
Inventories	26,233	172
Prepaid Expenses	(313)	832
Payables	(21,734)	(5,698)
Income and Other Taxes	(19,515)	384
	\$14,117	\$10,186

Consolidated balance sheet

(thousands of dollars)
December 31, 1974 December 31, 1973

Assets

Current Assets

Cash and Marketable Securities	\$ 19,456	\$ 9,543
Receivables	61,935	42,402
Inventories	67,126	40,893
Prepaid Expense	2,213	2,526

Total Current Assets **150,730** 95,364

Fixed Assets **154,960** 126,145

Investments **10,013** 7,356

Other Assets **825** 800

\$316,528 \$229,665

Liabilities

Current Liabilities

Payables	\$ 53,920	\$ 32,186
Income and Other Taxes	20,083	568

Total Current Liabilities **74,003** 32,754

Deferred Income Taxes **38,806** 30,958

Long-Term Debt **27,757** 27,826

140,566 91,538

Shareholders' Equity

Capital Stock

Common Shares without Nominal or Par Value		
Authorized — 12,500,000 shares		
Issued and Outstanding — 10,000,000 shares	59,600	59,600

Retained Earnings **116,362** 78,527

175,962 138,127

\$316,528 \$229,665

Signed on behalf of the Board

J. S. Dewar, Director

J. F. Shanklin, Director

Notes to the 1974 financial statements

1. Supplementary Balance Sheet Detail		(thousands of dollars)	
		December 31, 1974	December 31, 1973
Cash and Marketable Securities	Cash	16,456	9,543
	Short-Term Notes — at cost approximating market	3,000	—
		19,456	9,543
Receivables	Trade	53,961	35,997
	Trade — affiliated companies	3,850	2,685
	Other	4,124	3,720
		61,935	42,402
Inventories	Raw Materials and Supplies	21,661	12,841
	Work in Process	16,760	10,848
	Finished Goods	28,705	17,204
		67,126	40,893
Fixed Assets	Land	7,122	4,062
	Buildings	57,172	59,618
	Machinery and Equipment	239,000	210,746
		303,294	274,426
	Accumulated Depreciation	148,334	148,281
		154,960	126,145
Investments	Companies carried at equity in net assets	4,025	3,363
	Other Investments — at cost or less	5,988	3,993
		10,013	7,356
Other Assets	Unamortized Debt Discount	366	395
	Deferred Charges	99	235
	Patents, Trade Marks & Goodwill at unamortized cost	360	170
		825	800
Payables	Affiliated Companies	16,993	7,627
	Other	36,927	24,559
		53,920	32,186
Long-Term Debt	a) 8¾% Unsecured Debentures maturing May 1, 1992. Mandatory sinking fund requirements of \$750,000 annually commencing May 1, 1978	25,000	25,000
	b) A subsidiary's 5¾% First Mortgage Sinking Fund Bonds maturing May 1, 1977	2,757	2,826
		27,757	27,826

Notes to the 1974 financial statements

2. Summary of Accounting Policies

Principles of Consolidation

The consolidated financial statements include the assets, liabilities, revenues and expenses of all subsidiaries. Investment in companies 25 to 50 per cent owned are carried at equity in net assets and the Company's share of their earnings is included in the income statement. The excess purchase price over equity value at time of acquisition is amortized over five years. Other investments (including Petrosar Limited referred to in Note 4) are carried at cost or less. The following is a financial summary of those companies carried at equity.

	(thousands of dollars)	
	December 31, 1974	December 31, 1973
Total Assets	17,759	14,029
Less Total Liabilities	9,470	7,476
Net Assets	8,289	6,553
UCCL Equity in Net Assets	4,025	3,363
UCCL Equity in Net Income	938	688

Short-Term Notes

Short-term notes are carried at cost, which approximates market.

Inventories

Inventory values, which do not include depreciation, are stated at cost and net realizable value, whichever is lower. Cost is determined on the average cost method.

Fixed Assets and Depreciation

The Company carries fixed assets at cost. Expenditures for replacements are capitalized and the replaced items are retired. Maintenance and repairs are charged to operations. The Company uses straight-line depreciation for financial accounting purposes. Rates are based on estimates of life-months for each group of depreciable fixed assets. Depreciation is not charged on new assets until they become operative. Gain or loss on disposal of fixed assets is calculated on the remaining net book value at the time of disposal and reflected in income.

Research and Development

Research and development costs are charged to cost of goods sold as incurred.

Income Taxes

The Company uses the deferred method of tax allocation to provide for income taxes. The time in which transactions affect taxable income frequently differs from the time in which they enter into the determination of income in the financial statements. The cumulative differences between tax provided and taxes payable are shown as "Deferred Income Taxes" on the Consolidated Balance Sheet.

Employee Retirement Program

The actuarial liability for past service costs under the employee retirement program, estimated to be \$19,620,000 at January 1, 1974, will be amortized by equal annual payments ending in 1989.

3. Extraordinary Items

In 1973, extraordinary items of \$1,200,000 consisted of the gain on the sale of the assets of the Flexible Packaging Business and land, less a provision for reduction in the value of the Fibres manufacturing facilities.

In 1974 there were no similar items. The Fibres manufacturing facilities were sold in 1974 with no significant effect on operations.

4. Commitments

- a) The Company has entered into long-term contracts for the purchase of ethylene and atmospheric residual oil from Petrosar Limited, in which the Company has a 20% equity interest. The Company has agreed to invest \$13.8 million in equity and subordinated debt, to advance 30.4% of any funds necessary to complete Petrosar's plant and to advance a maximum of 33% of any deficiency of Petrosar in meeting certain of its debt obligations. Union Carbide Corporation has undertaken that the atmospheric residual oil contract, for which the Company acted as an accommodation purchaser, will be assigned to a corporation of which not less than 50% of the outstanding voting shares will be owned by Union Carbide Corporation, on terms which in the judgment of the Company will protect it from all liability under that contract.
- b) Commitments outstanding at December 31, 1974 for capital expenditures and participation in Petrosar Limited amounted to approximately \$46,850,000.
- c) The Company has a contractual liability to indemnify the purchaser of a former subsidiary against certain claims, including one for \$1 million. In the opinion of counsel, the Company has made adequate provision for the obligation, if any, under this claim.

5. Directors' and Officers' Remuneration

In 1974, five directors received aggregate remuneration of \$23,850 as directors and seven directors received no remuneration as directors. Nine officers earned aggregate remuneration of \$691,173 as officers. Five officers were also directors.

6. Sales

Consolidated sales by class of business and proportion of the total were:

	1974	% of Total	1973	% of Total	% Change from 1973
Chemicals	\$ 52,878	16	\$ 40,817	17	30
Plastics	110,146	32	82,832	34	33
Gases	54,155	16	40,688	16	33
Metals and Carbon	124,178	36	81,351	33	53
	\$341,357	100	\$245,688	100	39

Auditors' Report

To the Shareholders of Union Carbide Canada Limited

We have examined the consolidated balance sheet of Union Carbide Canada Limited and consolidated subsidiaries as at December 31, 1974 and the consolidated statements of income and retained earnings and changes in financial position for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, these consolidated financial statements present fairly the financial position of the companies as at December 31, 1974 and the results of their operations and the changes in their financial position for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Five year summary

	1974	1973	1972	1971	1970
Sales					
Chemicals	\$ 52,878	\$ 40,817	\$ 36,743	\$ 33,530	\$ 32,133
Plastics	110,146	82,832	65,011	57,339	55,599
Gases	54,155	40,688	34,704	32,233	33,835
Metals and Carbon	124,178	81,351	75,587	75,220	77,965
	\$341,357	\$245,688	\$212,045	\$198,322	\$199,532
Net income					
Amount	45,085	16,907	11,635	9,429	11,285
% of Sales	13.2%	6.9%	5.5%	4.8%	5.7%
Per Share	4.51	1.69	1.16	.94	1.13
Total assets	316,528	229,665	208,582	195,513	203,018
Working capital	76,727	62,610	52,424	44,731	44,087
Construction expenditures	46,767	21,084	25,567	11,657	16,525
Depreciation and Amortization	13,950	13,691	15,448	13,288	13,077
Employee data					
Wages and Salaries	56,535	48,463	45,764	44,695	42,733
Average Number of Employees	4,943	4,807	4,935	5,197	5,307

Plants

Products

Carbon

Welland and Toronto, Ontario

Electric Arc Furnace Electrodes / Electrolytic Cell Anodes / Furnace Linings / Electric Motor and Generator Brushes / Theatre Projector Carbons / Carbon and Graphite Products for chemical, electrical, mechanical and metallurgical applications

Chemicals

Montreal East, Quebec

UNION CARBIDE Organic Chemicals, including Ethylene Oxide, Ethanolamines, Glycols and Glycol Ethers / Agricultural Chemicals / Silicone Chemicals, Resins, Oils and Elastomers / Urethane Foam Intermediates / Vinyl Coating Resins / CELLOSIZO / CARBOWAXES / UCON Lubricants / UCAR Latexes

Consumer Products

Toronto, Orangeville and Walkerton, Ontario / Cowansville, Quebec

EVEREADY Flashlight, Lighting, Alkaline, Hearing Aid, Transistor, Nickel Cadmium and other Electronic Batteries / EVEREADY Flashlight Cases and Lanterns / EVEREADY Flashlight Lamps / LINDE Star Sapphires and Rubies / Synthetic Crystals / PRESTONE II Anti-Freeze and Summer Coolant / PRESTONE Car Care Products / 6-12 PLUS Insect Repellent / GLAD Food Wrap, Bags and Garbage Bags

Gases

Vancouver and Vernon, British Columbia / Calgary and Edmonton, Alberta / Saskatoon, Saskatchewan / Selkirk, Thompson and Transcona, Manitoba / Thunder Bay, Sault Ste. Marie, London, Malton, Mississauga, Welland, Oakville, Sarnia and Ottawa, Ontario / Noranda, Arvida, Montreal, Montreal East, Tracy, Lauzon and Sept-Îles, Quebec / Saint John, New Brunswick / Halifax, Nova Scotia

LINDE Oxygen, Nitrogen, Hydrogen, Argon, Helium, Carbon Dioxide and Rare Gases / Specialty Gas Mixtures / Fumigants and Sterilants / Calcium Carbide and Acetylene / Gas and Electric Welding, Cutting, Forming and Heat-Treating Apparatus / Welding Rods, Wire and Electrodes / Power Sources / Heat Exchangers / Coatings Service / Steel-Conditioning Machines / Rock-Piercing and Shaping Equipment / Medical Gases, Inhalation and Suction Therapy Equipment / Distillation Trays / Cryogenic Equipment / Food Freezing Equipment / Molecular Sieves / UNOX System for secondary waste water treatment

Metals

Beauharnois and Chicoutimi, Quebec

Ferroalloys, Alloying Metals, Pure Metals and Metal Compounds produced from the elements Boron, Calcium, Chromium, Columbium, Manganese, Silicon, Tantalum, Titanium, Tungsten, Vanadium and Zirconium

Plastics

Lindsay and Belleville, Ontario / Cowansville and Montreal East, Quebec

UNION CARBIDE Phenolic Resins and Compounds / Polyethylene and Co-Polymer Resins and Compounds / Epoxy Resins / Phenolic Resins / Polysulfone Resins / Polyethylene Film / VISKING Cellulose Food Casings / KREHALON, VISTEN and PERFLEX S Specialty Films

Principal operating subsidiaries

Dominion Viscose Products Limited—cellulose food casings / Smelter Power Corporation—hydro-electric power / Union Carbide Canada Mining Ltd.—mining and exploration for minerals

Union Carbide Canada Limited

Head Office

123 Eglinton Avenue East
Toronto, Canada
M4P 1J3

Stock Transfer Agent and Registrar

Canada Permanent Trust Company
Halifax, Montreal, Toronto, Winnipeg
and Vancouver

Stock Exchange Listings

Montreal, Toronto and Vancouver

Auditors

Hurdman and Cranstoun
Toronto

